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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case, No.
19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**REORGANIZED DEBTORS' REPLY IN
FURTHER SUPPORT OF THE ONE
HUNDRED FIFTEENTH OMNIBUS
OBJECTION (NO LIABILITY
RECATEGORIZED CLAIMS) WITH
RESPECT TO CLAIM NO. 87604 (KIM
MILLER)**

[Re: Docket No. 12173]

Date: August 9, 2022

Time: 10:00 a.m. (Pacific Time)

Place: (Tele/Videoconference Appearances Only)
United States Bankruptcy Court
Courtroom 17, 16th Floor
San Francisco, CA 94102

1 **I. PRELIMINARY STATEMENT**

2 In advance of the August 9, 2022, 10:00 a.m. omnibus hearing (the “**Hearing**”),¹ PG&E
3 Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as debtors and
4 reorganized debtors (collectively, the “**Debtors**,” “**PG&E**,” or the “**Reorganized Debtors**”) in the
5 above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submit this reply brief (the
6 “**Reply**”) in further support of the *Reorganized Debtors’ One Hundred Fifteenth Omnibus Objection to*
7 *Claims (No Liability Recategorized Claims)* [Docket No. 12173] (the “**Omnibus Objection**”)² to Claim
8 No. 87604 (Kim Miller) (the “**Contested Claim**”), for which an informal response was received by the
9 Reorganized Debtors by e-mail on May 24, 2022 (the “**Miller Response**”). A copy of the Miller
10 Response is attached hereto as **Exhibit A**.³

11 Through the Omnibus Objection, the Reorganized Debtors stated the legal grounds upon which
12 they objected to the Contested Claim and presented supporting facts through the declaration of A. Anna
13 Capelle [Docket No. 12174] and the Request to Take Judicial Notice [Docket No. 12175] (the “**RJN**”).
14 The Reorganized Debtors thus having supported the Omnibus Objection by facts and law, “the burden
15 reverts to the claimant to prove the validity of the claim by a preponderance of the evidence,” *Ashford*
16 *v. Consolidated Pioneer Mortgage (In re Consolidated Pioneer Mortgage)*, 178 B.R. 222, 226 (B.A.P.
17 9th Cir. 1995) (quoting *In re Allegheny Int’l, Inc.*, 954 F.2d 167, 173-74 (3d Cir. 1992)), *aff’d without*
18 *opinion* 91 F.3d 151 (9th Cir. 1996). The Miller Response does not address the legal or factual bases
19 upon which the Reorganized Debtors objected to the Contested Claim, much less meet Mr. Miller’s
20 burden of proof that the Court should not disallow and expunge the Contested Claim. In support of this
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22 ¹ The Reorganized Debtors have reviewed the supplemental response filed by Andrew Walters [Docket
23 No. 12669] (the “**Walters Supplemental Response**”) with respect to Claim No. 86837, which also is
24 set to be heard at the Hearing. Nothing in the Walters Supplemental Response changes the
25 Reorganized Debtors’ arguments with respect to Claim No. 86837 as set forth in the *Omnibus Reply in*
26 *Further Support of the One Hundred Fifteenth Omnibus Objection (No Liability Recategorized*
27 *Claims)* [Docket No. 12581]. The Reorganized Debtors will address Claim No. 86837 at the Hearing.

28 ² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in
the Omnibus Objection.

³ The Reorganized Debtors have redacted the Miller Response in compliance with Federal Rule of
Bankruptcy Procedure 9037.

1 Reply, the Reorganized Debtors submit the Supplemental Request to Take Judicial Notice (the
2 “**Supplemental RJN**”), filed concurrently herewith, and respectfully state as follows:

3 **II. REPLY TO THE MILLER RESPONSE**

4 The Miller Response states that PG&E’s responsibility for the Mendocino Complex Fire—made
5 up of the Ranch Fire and the River Fire—“has been found as inconclusive, which leaves much in
6 question. If PG&E [has] been found responsible for many other wildfires in the area it seems unlikely
7 they were not responsible for this one.” Miller Response at 2. Mr. Miller also argues that the Public
8 Safety Power Shutoff (“**PSPS**”) program PG&E enacted for wildfire prevention is “proof [PG&E has]
9 not fulfilled this expectation [to perform maintenance upkeep] and likely caused the River fire along
10 with the others.” *Id.* Finally, the Miller Response complains about PG&E’s rates and states that “[a]s a
11 continuing customer of PG&E which is not by choice my expectation is that they would pay this claim
12 as it is only a small reimbursement compared to the financial impact they cause on an ongoing monthly
13 basis.” *Id.*

14 As detailed in the Omnibus Objection and the Request to Take Judicial Notice, the Reorganized
15 Debtors objected to Mr. Miller’s claim as a Third-Party Fire Claim arising from the Mendocino Complex
16 Fire. The CAL FIRE Incident Report on the Mendocino Complex Fire indicated that the cause of the
17 Ranch Fire was human. RJN ¶ C. As the Miller Response indicates, CAL FIRE’s report determined
18 that the cause of the River Fire was inconclusive. Supplemental RJN ¶ A.

19 Mr. Miller’s burden is to prove that PG&E caused the Mendocino Complex Fire, which he has
20 not done and cannot do. The fact that CAL FIRE did not determine the specific cause of the River Fire
21 does not satisfy Mr. Miller’s burden to prove PG&E was responsible for that fire. Mr. Miller’s
22 suggestion that PG&E’s liability with respect to the Fires enumerated in the Plan indicates liability for
23 other, unrelated fires likewise does not carry probative weight and, if credited, would set an unwarranted
24 and unfair precedent. Similarly, the existence of the PSPS program, explicitly aimed at preventing future
25 wildfires, is not evidence that PG&E caused the River Fire. Finally, that Mr. Miller is unhappy with the
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1 rates he pays for electricity does not entitle him to even a “small reimbursement” for alleged damages
2 not caused by PG&E.⁴ Mr. Miller thus has not met his burden of proof.

3 **III. CONCLUSION**

4 For the foregoing reasons, as well as the reasons set forth in the Omnibus Objection and its
5 supporting documents, the Reorganized Debtors respectfully request that the Court overrule the Miller
6 Response, sustain the Omnibus Objection, and disallow and expunge the Contested Claim. If the Court
7 is not prepared to disallow the Contested Claim at the Hearing, the Reorganized Debtors will supplement
8 their objection to it and address any further arguments at a continued hearing, and they reserve all rights,
9 arguments, and defenses with respect to the Contested Claim and such supplemental objection.

10 Dated: August 2, 2022

KELLER BENVENUTTI KIM LLP

11 By: /s/ Dara L. Silveira
12 Dara L. Silveira

13 *Attorneys for Debtors and Reorganized Debtors*

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22 ⁴ Mr. Miller’s proof of claim does not make reference to damages based upon the rates he pays for
23 electricity beyond the attachment of an unexplained postpetition utility bill. To the extent he attempts
24 to make such a claim through the Miller Response, the Reorganized Debtors object on the basis that
25 such a rate claim does not represent a valid prepetition right to payment. Under California’s filed rate
26 doctrine, public utilities whose rates are approved by a regulatory agency—here, the California Public
27 Utilities Commission (the “CPUC”)—“are insulated from lawsuits challenging those rates and from
28 court orders having the effect of imposing a rate other than that filed with” or approved by the
regulatory agency. *Day v. AT& T Corp.*, 63 Cal. App. 4th 325, 335 (1998). As the CPUC has
approved the rates charged by PG&E, neither its customers nor the Court are “institutionally well
suited to engage in retroactive rate setting.” *Wegoland Ltd. v. NYNEX Corp.* 27 F.3d 17, 19 (2d Cir.
1994).